

JBEA Advisory Committee Seeks Applicants

By Carl Shalit

Do you know what the Advisory Committee on Actuarial Examinations of the Joint Board for the Enrollment of Actuaries does? Probably not, but it is one of the reasons the Joint Board is able to develop the enrollment examinations.

During the infancy of the Employee Retirement Income Security Act, the enrollment examinations were prepared by members of the Joint Board itself. However, it soon became apparent that substantial private-sector assistance was required to maximize the effectiveness of the enrollment process. Accordingly, in 1976, the Joint Board chartered the Advisory Committee on Actuarial Examinations with the responsibility for comprehensively reviewing, editing, and finalizing examination questions that have been submitted in draft form by the EA-1 and EA-2 Examination Committees. These committees are made up of members of the Society of Actuaries and the American Society of Pension Professionals & Actuaries, which co-sponsor the examinations. The Joint Board itself must approve the final examinations before they are administered.

In addition to preparing the examinations, the Advisory Committee reviews statistical results of the examinations and recommends appropriate pass marks to the Joint Board. It also assists in developing the syllabi and addressing other issues related to the enrollment examination process.

Members are appointed for two-year terms. The term of the current Advisory Committee members ends on February 28, 2021. The next term begins March 1, 2021 and ends February 28, 2023.

Historically, many members of the committee do reapply, but for various reasons one or more may choose to retire. In any case, renewal is not automatic, and the Joint Board does, when forming the new committee, look for diversity in expertise among its membership.

Accordingly, the Joint Board is now seeking applications from enrolled actuaries who are willing to volunteer substantial time and effort on behalf of the enrolled actuary community through service on the Advisory Committee. Applicants should be experienced enrolled actuaries in good standing who are thoroughly familiar with the topics on the EA-1 examination (compound interest and life contingencies) and the EA-2 examination (pension law in EA-2(L); selection of assumptions, funding, and deductions in EA-2(F)).

Applicants must also be interested in the academic side of the enrollment process and must be able to participate in meetings within the Advisory Committee and with members of the Joint Board.

Each year, the Advisory Committee meets twice in Washington, DC (in early January and early July) and twice in other cities (in late April and in late October). Members are reimbursed for travel expenses incurred, in accordance with applicable government regulations. Due to the COVID-19 pandemic, meetings will be held by teleconference until in-person meetings can be held safely. Portions of the January and July meetings, which generally last two full days, are devoted to pass mark setting and discussion of public agenda issues related to the enrollment examinations.

Applicants should be prepared to devote from 125 to 175 hours, including meeting time, to the work of the Advisory Committee over the course of a year. Several committee members also contribute additional hours by maintaining the drafts of the examinations and the examination booklet and by dealing with other sundry matters that inevitably arise between meetings.

Service on the Advisory Committee is an excellent way to stay familiar with the technical side of pension actuarial practice, particularly on topics covered by the EA-2(L) and EA-2(F) examinations. Committee service also provides a strong sense of accomplishment in an area relevant to our practice, which is not always the case with other professional volunteer work.

Further, the Joint Board grants 18 core hours of continuing professional education credit to Advisory Committee members for each year of full participation on the committee. The opportunity to develop close camaraderie with experienced actuaries in private industry as well as in the Federal Government is also an appealing aspect of committee service.

Questions may be directed to Elizabeth Van Osten, Designated Federal Officer, Advisory Committee on Actuarial Examinations, at nhqjbea@irs.gov or to me at (978) 745-9939.

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